

ANNEX Analysis of individual projects

01-03 Village Decision Driven Research – led by Washington State University. Laghman Province

<i>Goal</i>	To assist farmers in identifying alternative livelihoods that would replace opium production
<i>Purpose</i>	To develop research activities for alternatives to poppy production by building the capacity for the Ministry of Agriculture and Animal Husbandry from a structure that integrates needs identified by village organizations in Alingar district of Laghman province
<i>Outputs</i>	<ol style="list-style-type: none"> 1. Survey of farmer attitudes to opium poppy production and alternative livelihoods 2. Needs assessment and improved capacity of an MAAH agricultural research station to respond to village organization requests 3. Analysis of the potential for marketing the products identified during the survey. 4. Implemented pilot activities where the data from outputs 1 and 3 are used to initiate marketing of products

Project rationale

The project rationale recognises the importance of opium production as an important income source and the embedded character of opium production in local power structures and social relations. The emphasis at goal level is on assistance for farmers to identify alternative local livelihood opportunities which have the potential to become sources of cash income through transforming local produce into marketable products. These alternatives would replace opium production. The project strategy for doing this, as expressed in the purpose, is to develop research on potential alternatives by building the capacity of researchers and integrating needs identified by village organisations.

The four project outputs are expressed in terms of what is to be done, rather than the results that will contribute to the purpose (although these are recognised in the proposal text). For example, output 1 based on a participatory livelihood analysis should produce a better understanding of rural livelihoods and farmer attitudes which will enable the selection and prioritisation of livelihood alternatives for pilot testing. The needs assessment is an activity which helps to identify potential entry points and contributes to the design of a training and capacity building programme for researchers to enable engagement with village organisations and appropriate responses to their requests. The logical gap in the output to purpose to goal relationship concerns the apparent lack of differentiated analysis on who is engaged in poppy production - the current livelihood patterns of different social groups in relation to poppy production and the opium economy. Some changes incorporated in the revised proposal text are not included in the logical framework (e.g. ‘participatory livelihood analysis’ instead of ‘farmer survey’).

Hypothesis

The project’s implicit hypothesis is that appropriate alternative livelihoods are more likely to be identified through support to a process of interaction and exploration among farmers and researchers. The outputs will contribute to the elimination of poppy production by assisting in the development of livelihood opportunities based on the local resource potential. Viable alternative livelihoods are seen as depending on the ability to market products. However, the recognition that profitability is not the only motive, is not reflected in the discussion of the approach, which does not include analysis of vulnerability and risk of different categories of household or gender, or couch the market survey in terms of risk to producers rather than market demand.

Proposed indicators

The project goal indicators (*Decrease in opium poppy production dependency; Increase in alternative livelihoods, decreased number of farmers growing poppies/increased numbers growing new/different crops; decreased area under poppy production/increased area of alternatives*) are intended to assess the extent to which alternative livelihoods have been identified and adopted, as measured by replacement of poppy production by alternatives. These indicators relate to the programme goal, rather

than the project goal which refers to the identification, testing and promotion of alternative livelihood technologies and the changed relationship between farmers and researchers. The indicators at purpose level include the identification, testing and running of alternative livelihoods to poppy production, the strengthened responsiveness of agricultural researchers and other partners, and of positive attitudes by villages toward alternative livelihoods initiatives.

The revised indicators for outputs are activities rather than indicators that the output is achieved; e.g. indicators for strengthened researcher capacity could specify the outcomes of needs assessment and training in terms of anticipated changes in behaviour of the researchers and their interaction with communities. For example, one indicator might be that researchers are interacting sensitively with farmers actually growing poppy, in addition to those who have already given up. Because these changes are not included in the indicators it is hard to see how impacts could be assessed. The section in the proposal on monitoring deals mainly with reporting rather than the key indicators which will be monitored. The indicators do not allow for tracking impacts on households in different livelihood contexts. The survey of farmer attitudes could allow for a more participatory definition of criteria against which to monitor changes in perception and risk among different social groups, but this is not elaborated in the project design.

Plus and minus points against the project selection criteria

Understanding of the problem – the proposal indicates awareness of the social relationships around poppy production and the role of the profits derived in reinforcing the power of the war lords. The revised project proposal includes establishing a thorough understanding of how the poppy economy is integrated in livelihood strategies in the target area through village level participatory analysis of livelihoods and the local asset base e.g. natural assets of particular relevance to the poor; the potential role for investment of remittances in local enterprises). The analysis of current livelihoods should explore the role of poppy production for households both inside and outside the village organisations in order to identify innovative viable alternatives.

Likelihood of achieving sustainable, quantifiable impact and replicability The immediate impact would be through participatory technology development with experimenting farmers and village organisations, determined through the livelihood analysis and needs assessment. Scaling-up would be implemented through DACAAR RDP's network of village level organisations and through involvement in the National Solidarity Programme in Alingar and Alisheng Districts. Assumptions are that support from local government and active engagement of researchers is forthcoming; weaknesses here would jeopardise impact. Less attention is given to sharing lessons and experience nationally with other agencies.

Methodology and Participatory research approaches. Capacity building for DACAAR and MAAH staff in appropriate survey methods is included. However, not much detail is given of the methodologies of the market surveys or other forms of researcher training. For the livelihoods analysis, it is important that the approach goes beyond the discussion of household level assets and includes the interrelationships with other aspects of the livelihoods framework (e.g. policies, institutions and processes, vulnerability and strategies).

Identification of target areas, participants, beneficiaries and stakeholders. The project is situated in Alingar district in Laghman Province where there have been recent increases in poppy production. The advantages of its agro-ecologically different potential and proximity to markets in Kabul are recognised. Different stakeholders are identified, but farmers and villagers are not further categorised with respect to their livelihoods and vulnerability, or relationship to poppy production – this framework would be a useful output from the livelihoods analysis. Care is needed that the project's natural resource focus and village organisation entry point does not inadvertently exclude the poor, socially vulnerable and landless. Therefore, despite the emphasis within community organisations on high participation, it is important that the livelihoods survey includes poor and vulnerable groups who are not necessarily members of these organisations. Eligibility is not the same as actual participation and intentions not the same as outcomes.

Market aspects.. Market research is included but the notes are conceptual rather than indicative of the practical field approach of investigating supply chain relationships and their key stakeholders.

Potential cross project learning

- Using livelihood analysis as the basis for establishing opportunities appropriate for different groups and for defining criteria to assess change.
- Lessons on reconciling demand driven and market assessed opportunities with the needs of most vulnerable poppy dependent groups.
- Lessons on developing capacity for participatory engagement between government researchers, farmers and village organisations where target is an illegal activity

01-04 Introduction, evaluation & promotion of appropriate crop legumes & vegetables in Eastern Afghanistan. Relief International. Nagarhar Province

<i>Goal:</i>	To determine the economic and livelihood impact of a range of vegetable and crop legume projects, enhanced by drip irrigation, on poppy farmers in Nangarhar Province, and to scale up those projects that demonstrate the most significant rate of return, in order to develop sustainable, legal alternatives to poppy cultivation as a livelihood strategy
<i>Purpose:</i>	<ul style="list-style-type: none"> • Conduct applied research for future benefits but provide immediate economic and social benefits to project participants • Develop capacity at an local academic institution to make data-driven decisions and contribution to the regional community • Disseminate new agricultural ideas and practices through participatory and culturally acceptable methods • Refine the counter-narcotics strategy and reduce the dependency of the Afghan farmer on the illicit cultivation of poppy • Improved agricultural productivity in the eastern Afghanistan area, development of raw material for future processing investments, and development of potentially exportable crops
<i>Outputs:</i>	<ol style="list-style-type: none"> 1. Economic outputs: viable alternatives to poppy; market research; holistic / participatory research; supply chain development; MF linkages 2. Agricultural outputs: vegetable and crop legume production; poppy reduction; scale up; farmer co-investment; marketing. 3. Research outputs: NU capacity building; model research plot; publication of research results; online dissemination

Project rationale

The main rationale of the project is that by determining the economic and livelihood impact of alternative crops for poppy farmers, encouraging the participation and training of farmers in options with the most significant rate of return, and by developing the technical capacity of local resource institutions, this will contribute to the elimination of poverty and develop sustainable, legal alternatives to poppy cultivation. The project will develop and facilitate access to alternatives to poppy production which will produce a similar financial return. In addition to finding profitable technical alternatives, it is addressing the constraints of farmer knowledge, input and credit access, research and extension capacity to support investments and access to secure markets. However, the logical design of the project in terms of its complex goal and multiple purposes is rather confusing and the connections between the different levels of the logframe are not clearly apparent. Nevertheless, the project intends to assess the livelihood impact and market potential of a range of vegetable and legume development projects and scale-up those with the most significant rate of return. This involves research on crop technologies and practices; investigation of product markets and facilitating the connection of buyers and sellers; building capacity of research and extension personnel; developing supply chains for agricultural inputs, irrigation technology and credit; demonstrations, field days, extension materials, training and information dissemination and collaboration with NGOs and entrepreneurs for scaling up.

Hypothesis

The hypothesis is that the economic return of alternative options is the main determinant of their potential to substitute for poppy, e.g. *“The greater the financial gain to individuals the greater the reduction of economic dependency on poppy.”* However, the revised proposal does note that alternative crops may have to be competitive in terms of more than their price, and recognises the important of other complementary social and economic initiatives in rural reconstruction and development and alternative development / counter narcotics programmes. A gender analysis is included, but there is an absence of livelihoods analysis among different groups (traders, landowners, farmers, share croppers, labourers etc.) in the communities with whom the project is working.

The project does not suggest an analysis of who exactly is currently involved in poppy production and trade, in order to develop a strategy to target the technical interventions appropriately. Reference is made to monitoring the impact of alternative livelihoods investments on poppy dependency through multiple “sentinel” case studies across the target districts, but this is not elaborated further, and without an analysis at the outset it is hard to see how this will be achieved.

Proposed indicators

The complexity of the logical framework with multiple purposes and indicators may be revised by the independent M&E specialist involved in this project who is to design and implement a monitoring system at the start of the programme. The measurable indicators to the goal are mainly financial, including the change in cash income as a result of participation in specific agricultural projects; value of returns compared to poppy, and also changes in the poppy cultivated area and rate of adoption of new technologies. Indicators of the purposes are similar, but include numbers of participants and levels of satisfaction, gender disaggregated, and labour time and value. Beyond gender, there is no indication that further differentiated analysis will be done. The purpose indicators also include evidence of increased investments from farmers, private sector and government sources in research and development for production, processing and export capacity, evidence of increased extension outreach and communication and a reduction in the poppy area.

Monitoring and evaluation methods will use cost benefit analysis and other financial assessments and also participatory inquiry to understand the qualitative as well as quantitative impacts of the production of the new crops. Institutional analysis will investigate impact of producer organisations on existing governance and problem solving mechanisms within the community. Greater familiarity with the broader elements of the livelihoods framework (policies, institutions, processes, vulnerability) would help here.

Plus and minus points against the project selection criteria

Understanding of the problem The broader economic context of dependency on opium poppy is well outlined, showing a good understanding of the agricultural context and constraints on alternative livelihood options. However, other dimensions of the problem are less well covered. The project should keep in view the importance of non-economic constraints to reduction of poppy dependency and adoption of alternative livelihoods.

Likelihood of achieving sustainable and quantifiable impact and replicability: The project defines quantified targets on the numbers of farmers expected to benefit from the programme’s research and training activities. It is less clear how the project will assess livelihood impacts beyond cash benefits, e.g. social capital, human capital, increased security, decreased vulnerability etc. The main channel for scaling up is through Relief International CRALS programme demonstrations and rural training centres, wider outreach and training by MAAH and training and dissemination to other local and international institutions, workshops and use of printed and electronic media. Linkages to policy levels in order to inform the counter-narcotics strategy are unclear.

Methodology and participatory research approaches. – participatory learning approaches are included in the training for university staff, and participation of women in activities will be monitored, but there is not much emphasis on participatory approaches with farmers groups.

Target areas, participants, beneficiaries, stakeholder groups: The specific characteristics of Nangarhar province as the largest provincial producer of opium in Afghanistan and in terms of its climate, natural resources and proximity to markets in Kabul and Pakistan are noted. In relation to analysis of participants and beneficiaries, the revised proposal refers to a study indicating that around 20% of poppy farmers are either landless tenants or sharecroppers and that 87% of all poppy farmers make the decision to grow poppy themselves according to the land they can access, regardless of whether they are landless or landowners. However, the conclusions, that ‘landless and sharecropping poppy farmers are equally as likely to opt to grow legal alternatives to poppy as others’ and that ‘the benefits of the

project are accessible to the poorer members of each target community' are hypotheses that should be tested, not assumed.

Market aspects: The proposed analysis of local and regional markets to assess opportunities and the supply chain and a the holding of a trade fair to link producers and buyers are important features but the market research plans lack detail of their methodology .

Capacity building The project will contribute to institutional development of Nangarhar University, though only a small proportion of budget is allocated directly to them. Other partners are the MAAH for technical training and MRRD to link with wider development initiatives.

Potential cross project learning

- Potential for assessing factors influencing adoption of alternatives in the most important long established poppy producing areas, compared with newer areas.
- Assessment of the relative importance of economic returns of new crops in determining the likelihood of them replacing poppy production
- Challenges and success factors for the participation of women in alternative livelihood development activities

01-07 Restorative Agriculture & Rural Economy Research Project. Mercy Corps. Helmand and Kandahar provinces.

<i>Goal</i>	A rural economy that supports agricultural livelihoods that are legitimate, economically viable, culturally appropriate, and environmentally sound.
<i>Purpose</i>	To test and identify means to achieve agricultural livelihoods options that are legitimate, economically viable, culturally appropriate and environmentally sound
<i>Outputs</i>	<p>Farmer-led experimentation and extension services</p> <ol style="list-style-type: none"> 1. Economic analysis of a variety of staple, cash and specialty crops 2. Economic analysis of different types of improved small-scale-irrigation systems 3. Review of past and current extension services, including recommendations for future market-driven supplies of agricultural support services, including technical agri-enterprise development and group/cooperative development <p>Small-scale Value-added Processing</p> <ol style="list-style-type: none"> 4. Evaluations of at least 10 different existing small scale agri-processing industries 5. Case studies of agri-enterprises that prove to have value-added through experimental processing <p>Organic Export Feasibility Study</p> <ol style="list-style-type: none"> 6. In-depth feasibility study for the development of markets for organic Afghan agricultural products 7. A review of the different types of organic certification and an evaluation of how this might be applied and developed in an Afghan context 8. Publication of producer manuals explaining regulation of organics and guidance and instruction on organic agricultural practices <p>Community Participation and Agricultural Governance</p> <ol style="list-style-type: none"> 9. 30-month study testing the effectiveness of local decision-making in encouraging alternative livelihoods 10. Review and analysis of past and current agricultural governance and recommendations for future role of Provincial Ministry of Agriculture in supporting the creation of alternative livelihoods

Project rationale

The project approach recognises the fallacy of promoting single solutions to the problem of poppy production. Rather, the approach is to test and evaluate a range of options, while addressing issues relating to knowledge and information, markets and local governance. The project rationale is that farmer led experimentation evaluating alternatives crops, technologies and processing enterprises; plus market investigation of organic export feasibility and certification; guidance for improved extension and agricultural support services, and support for community decision making and agricultural governance, will identify means to achieve agricultural livelihood options that are legitimate, economically viable, culturally appropriate and environmentally sound and ultimately contribute to a rural economy that supports these. The project logical framework emphasises alternative livelihood options, but in contrast to the proposal text, does not strongly emphasise the intention that these should substitute for poppy production. The 10 outputs are phrased as activities rather than changes/achievements which will contribute to the purpose. An example of how these could be consolidated is as follows;

1. Appropriate farmer-led intensified agricultural production systems incorporating speciality crops tested and evaluated.
2. A cross-cutting strategy for increasing the availability and accessibility of market-driven agricultural technical information and business development services produced.
3. Technical and organisational aspects of post harvest processing and other agro enterprises tested and evaluated.
4. Prospects and possibilities for the development of Afghan organic export markets evaluated and disseminated

5. Local norms, policy and decision-making in favour of alternative livelihoods positively influenced by multi stakeholder participation including communities and institutions involved in agricultural governance.

As it stands, the logframe is not an adequate tool for managing the intended outputs and outcomes of the project

Hypothesis

The project envisages that appropriate market oriented production and processing technologies, improved extension and agricultural support services, and effective community decision making and agricultural governance, will enable the creation of alternative livelihood options to poppy production. The planned interventions relate to an analysis of what has contributed to increased poppy production – its profitability, the lack of technical and marketing knowledge of feasible alternatives, limited technical and business development services, poor access to inputs, high levels of unemployment, lack of legal controls and lack of social cohesion to form collection action for alternatives. The project will provide information on agro enterprises and organic export markets but will not actually facilitate their establishment. The narrative recognises that prices and economic return on alternative crops is not necessarily the key incentive, particularly for poor farmers who may be bound to the opium economy by debt and the need to access land and credit. Hence the integration of the dimension of governance building and the importance of non-economic pressure on choice of livelihood options. Livelihoods are conceptualised as being much wider than simple income generation choices.

Proposed indicators

The indicators at goal level are a decrease in poppy production (not specified whether area, amount, or by whom) and an increase in non poppy related jobs. At purpose level, indicators include the numbers of legitimate enterprises identified, tested and found to be profitable, the number and type of new policy approaches to support alternative livelihoods, number and type of cluster based and community influenced policies to encourage legitimate enterprises and agriculture production systems. There are no indicators referring to the other purpose elements of environmental soundness and cultural appropriateness. Indicators at output level are largely relevant, but are not associated with different livelihood groups or gender. The nuanced analysis of how poor farmers and the landless in particular, are integrated into the opium economy, is not really reflected in the logframe indicators; farmers are treated as an undifferentiated group in terms of monitoring participation, uptake etc.

Plus and minus points against the project selection criteria

Understanding of the complexity of the problem – The project is founded on a good understanding of the complexity of the problem. It recognises issues of power and the lack of social cohesion which inhibits ability to effect change. It provides a clear analysis of the embeddedness of the drug economy, as a mechanism of access to land and credit, and acknowledges the potential governance building effect of alternative livelihoods approaches. The proposal outlines reasons for growth in poppy production and clearly defines the key livelihood constraints the project will seek to address.

Likelihood of achieving sustainable and quantifiable impact and replicability : The implementers appear to be well networked with other programmes, the Department of Agriculture and policy bodies. Emphasis is placed on documentation and publication and linkage to the agricultural development curriculum. Therefore there appears to be good potential for rapid uptake of results during and beyond the life of the project through existing institutional and community relationships and on-going and future programmes.

Methodology and participatory research approaches. The approach intends to be participatory and community based. The linkages between the different combinations of working with ‘communities’ for influencing policy and attitudes, with small enterprises for evaluating alternatives and with leading “farmer innovators” for research on agricultural production systems need to be thought through.

Target areas, participants, beneficiaries, stakeholder groups: The selection of the target area in lower Helmand and Kandahar is justified as an area of high prevalence of poppy production which is also providing employment and cash income to marginal farmers and daily labourers. The project will work in a cluster of settlements in each province. In terms of participants and beneficiaries, the project intends to work with leading “farmer innovators” as primary researchers, but no details are given on how these will be identified to ensure they are representative of, and socially connected to the larger target group and hence able to share information through their networks. Agri enterprise research will be conducted with farmer and community groups. Beneficiary groups are not distinguished by their asset profile nor gender. There is a need for a stronger poverty sensitive and gender focused analysis of livelihoods which would illuminate women’s productive role and mainstream gender issues into activities.

Market aspects: A study of organic export feasibility is included, but there is little emphasis on other marketing strategies for the potential products from agro processing. This is a crucial step to sustainable income generation and reducing market risks.

Potential cross project learning

- Recognition of wider context of incentives and risks. Comparisons of incentives beyond economic return particularly for small farmers and the landless.
- How support to community and government institutions can influence local norms, policy and decision-making in favour of alternative livelihoods.

01-08 Innovative financial mechanisms for improving the livelihoods of rural Afghans currently economically dependent on opium poppy. Natural Resources Institute. Badakhshan Province.

<i>Goal:</i>	To develop and promote innovative alternative livelihood options for rural Afghans currently economically dependent on opium poppy
<i>Purpose:</i>	To identify, assess and disseminate financial mechanisms that enable rural Afghans economically dependent on opium poppy to adopt alternative livelihoods options
<i>Outputs</i>	<ol style="list-style-type: none"> 1. To determine the present formal and informal financial services situation, the incidence and importance of indebtedness, financial needs and its influence on the decision to be involved in poppy production; 2. To identify and design a range of potential financial mechanisms for the provision of micro-finance and other financial products and services appropriate to rural Afghans, using experience from Afghanistan and elsewhere 3. To produce an action plan for implementation of chosen financial mechanisms on a pilot basis in Badakhshan 4. To use participatory methods involving communities, NGO and government staff to rigorously monitor, evaluate and document the process and impact of implementation of chosen financial mechanisms 5. To disseminate experiences as they emerge using user-friendly formats and media, so that the lessons from successes and failures can be rapidly incorporated into government and NGO policies and programmes

Project rationale

The project narrative indicates that one of the main reasons why farmers are dependent on the opium economy is the lack of a functioning finance system, a high incidence of debt and a near monopoly of opium traders as a source of credit, which draws farmers and particularly sharecroppers, into opium cultivation. The project outputs include an analysis of the current context and nature of financial services, the identification and design of options and plans for alternative mechanisms for providing micro finance to rural people dependent on poppy production. Two outputs emphasise learning and dissemination of experience, including the use of participatory methods to evaluate and document the process and impact. The outputs are designed to lead to the project purpose of providing financial mechanisms to enable people economically dependant on poppy to adopt alternative livelihoods and contribute to the goal (and *programme* purpose). The underlying rationale for the approach is that creation of alternative channels to access rural credit, outside the social and economic relations of poppy production, will assist in the uptake of alternative livelihoods. The challenge is to see if this is realistic, taking account of the nexus of ties which embed poor people in the opium economy.

Hypothesis

The research hypothesis is that access to benign forms of finance, alongside other appropriate support services and the availability of legal development opportunities, will encourage rural Afghans away from involvement in poppy production. The project starts with a study of the current formal and informal financial services, indebtedness and financial needs and how this influences involvement in poppy production. It is important that the project explores the different categories of stakeholder for whom the different financial services are important and what kind of alternative instruments might address their needs.

Proposed indicators

Indicators of the purpose include the demonstration of at least 2 rural finance mechanisms as successful in Badakhshan Province and that at least one government organisation and at least one NGO have incorporated project-developed finance mechanisms into their regular programmes. However, the indicators make no reference to the relevance and uptake of the finance mechanisms *for those who are economically dependent on opium poppy*. Indicators for the outputs are clear and time

bound. An important assumption for the outputs to contribute to the goal is that the political will exists to confront opium traders' hold over rural credit.

The project includes a strong emphasis on monitoring (including participatory monitoring) of the successes and failures of the financial innovations. This is crucial in illuminating the real constraints to replacing poppy-linked finance as well as providing feedback on the success of the mechanisms.

Plus and minus points against the project selection criteria

Understanding of the complexity of the problem: The project proposals demonstrates understanding of the context of rapid expansion in poppy production, consequences of drought, resulting indebtedness and asset depletion and lack of access to affordable credit. But the research needs to tackle the issue of how credit interlinks with poppy production if it is intended to be more than just a rural micro-credit programme, exploring aspects of the social relationships around poppy related indebtedness as well as the financial. Will alternative credit to that linked to poppy production enable engagement in alternative livelihoods? What other factors may be necessary?

Likelihood of achieving sustainable, quantifiable impact and replicability: Scaling up of the financial mechanisms designed within the project is envisaged through their close integration into AKDN rural programmes in Badakhshan, Baghlan and Bamyan Provinces, which are promoting alternative livelihoods opportunities. Financial services will need to be tailored in line with the particular requirements of the alternative livelihood choices made. Sharing of experience with other institutions (MAAH and MRRD, Ministry of Women's Affairs etc), NGOs and with rural finance policy makers is envisaged through dissemination and capacity building events.

Methodology and participatory research approaches:

The project emphasises participatory approaches and stakeholder evaluation at different levels. One proposed mechanism is the peer review workshop for joint evaluation of field activities and impact.

Identification of target areas, participants, beneficiaries and stakeholders.

Badakhshan is identified as the target area for the research. It has a high incidence of poppy production and is where AKF has a programme of rural development with which the proposed research will interact. The beneficiaries are rural people, particularly those vulnerable to poppy-linked financial arrangements. The proposal is rather vague on the nature of the intended linkages with processors, input suppliers and traders who support licit livelihood activities. Gender relations with respect to credit and appropriate gender sensitive approaches are not elaborated.

Market aspects

The project begins with analysis of the financial market and services as the basis for design of alternatives.

Capacity building: Capacity building of the wider stakeholder group is through participation in workshops.

Potential cross project learning

- Understanding of the relationship between indebtedness, access to financial services and involvement in poppy production
- The extent to which access to alternative forms of credit and other support services ,complementing development opportunities can assist in the uptake of alternative livelihoods.

01-09 Marketing of livestock and livestock products, market demand, potential return to producers & constraints to market access. Macaulay Research Consultancy Services Ltd Kunduz, Takhar, Daikundi, Kandahar, Helmand Provinces

<i>Goal</i>	To develop and promote innovative alternative livelihood options for rural Afghans currently economically dependent on opium poppy.
<i>Purpose</i>	To increase returns to producers from livestock as a viable alternative to poppy production.
<i>Outputs</i>	<ol style="list-style-type: none"> 1. Market demand for livestock products at local, regional, national and international levels identified 2. Promising high value livestock systems identified 3. Barriers to participation of rural livestock producers in the market identified 4. Opportunities and priorities for future research identified

Project rationale

The project is concerned with increasing income from livestock and livestock products as alternatives to poppy production. The outputs are intended to provide understanding of major aspects of the market for livestock and livestock products, in particular, market demand, returns to producers and constraints to market participation. However, there is a logical gap between the outputs, which are essentially generating market information, and the purpose which is to increase returns from livestock production as an alternative to poppy. The project is not attempting to bring about this change, but is rather providing information for the design of a subsequent research project focused on livestock related livelihood development. The outputs do not refer to any investigation of the relationship between livestock ownership and poppy production; for example, the extent to which livestock owners and traders are involved in the poppy economy. Without this understanding it is hard to justify why improved marketing and returns from livestock could have an effect on poppy production.

Hypothesis

The underlying hypothesis is that market failures account for poor returns from livestock production; that improved market oriented production and market access will address this problem and that ways to do this will be identified through research. The project is essentially a study to generate information on livestock marketing in order to guide future research aimed at increasing returns from livestock production as a viable alternative to poppy production. It will identify which livestock production systems should be the focus of research to enhance market-orientation and to provide realistic alternatives to poppy. The target group is livestock owning families in rural areas, but there is no discussion of how important poppy production is for this group, nor the mechanisms (other than market sales) through which livestock ownership will help to reduce reliance on poppy (e.g. risk reduction, credit access etc.)

Proposed indicators

The indicators that information has been identified (on market demand and market chains at different levels, on promising high value systems, on barriers to participation of rural livestock producers in the market and on opportunities and priorities for future research) include description of market chains and trade data, market prices and volumes traded, and description of constraints preventing high returns. There is less attention paid to the overlap between livestock trade and the opium economy. A further output – that local counterpart staff will be trained in market chains and simple market research methodology does not appear in the logical framework.

Plus and minus points against the project selection criteria

Understanding of the complexity of the problem

The project is presented as a livestock marketing study, focusing on market economics. It does not include analysis of current social and economic relationships between livestock producers/traders and poppy production and trade and hence it is hard to see how it could constitute the basis for research which is intended to provide viable alternatives to poppy.

Likelihood of achieving sustainable and quantifiable impact and replicability

The impact of the project will be in its contribution to understanding of the circumstances and constraints on livestock related market driven alternative livelihoods options. The main channel of impact will be through the dissemination of reports to research organisations, NGOs and the ministry and through a workshop to present findings and prepare a framework for a follow-up project.

Methodology and participatory research approaches. Approaches to the analysis of market systems and barriers to market participation need more elaboration.

Identification of target areas, participants, beneficiaries and stakeholders.

Research will be carried out in contrasting areas and agricultural systems in the north and south of the country. Target areas and target institutions are identified and the needs of poor stakeholders and vulnerable groups (women and children, landowners and share croppers) are addressed. Details are given of village selection and the selection of interviewees, from producers and traders of different livestock products and enterprise sizes.

Market aspects

The market research covers investigation of producers' costs and incomes from marketing, techniques for processing of products, constraints to market access, seasonal aspects of markets, type of connection with traders and contribution of income from selling livestock products relative to other household income sources. From traders - costs and incomes gained from trading, transport to markets, farm-gate, wholesale and retail prices paid and received constraints to trading and proposed suggestions for improvement in the marketing chain. It does not integrate issues of poppy production.

Capacity building

Local counterpart staff in Mercy Corps and MoAL will be trained in market chains and simple market research methodology and will contribute to the design of a semi-structured interview protocol and methodology as well as conducting the field work.

Potential cross project learning

- The methodology and findings from the market research may be of interest to other projects, but would be more relevant if it integrated issues of poppy production, trade and credit into the market investigation.